

05
ECONOMIC DEVELOPMENT
COMPARISON OF BUDGETED FISCAL YEAR 1999-2000
TO TOTAL RECOMMENDED FISCAL YEAR 2000-2001
(INCLUSIVE OF DOUBLE COUNTED EXPENDITURES)

Means of Financing & Table of Organization	As of 12/3/99 Existing Operating Budget 1999-2000	Total Recommended 2000-2001	Total Recommended Over/(Under) E.O.B.
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GRAND TOTAL ECONOMIC DEVELOPMENT DEPARTMENT	General Fund	\$35,975,207	\$35,211,463	(\$763,744)
	Interagency Transfers	\$1,205,859	\$1,239,774	\$33,915
	Fees and Self Gen.	\$17,429,280	\$17,126,004	(\$303,276)
	Statutory Dedications	\$40,346,670	\$26,229,556	(\$14,117,114)
	Interim Emergency Bd.	\$0	\$0	\$0
	Federal	\$240,000	\$100,000	(\$140,000)
	TOTAL	\$95,197,016	\$79,906,797	(\$15,290,219)
	T. O.	365	363	(2)

251 - Office of the Secretary

> **ADMINISTRATION PROGRAM:** Provides leadership, support services, legal services, and policy analysis to agency staff; regulatory assistance to clients; and technical and financial assistance to substate economic development organizations and economically disadvantaged contractors and businesses. Also administers initiatives based on technology development and innovation. This program also administers the workforce development and training funds allocated to the department, and administers other cooperative agreements.

General Fund	\$22,124,060	\$20,587,499	(\$1,536,561)
Interagency Transfers	\$1,155,859	\$1,189,774	\$33,915
Fees and Self Gen.	\$3,379	\$3,379	\$0
Statutory Dedications	\$23,725,878	\$9,648,059	(\$14,077,819)
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$100,000	\$100,000	\$0
TOTAL	\$47,109,176	\$31,528,711	(\$15,580,465)
T. O.	82	80	(2)

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Contingent on legislation being enacted in the 1st Extraordinary Session of 2000.

- (1) The following activities will cease to exist as of 12/31/2000 and the appropriate residual funds will accrue to and be transferred to Louisiana Inc.:
Small and Emerging Business Development, Louisiana Economic Development Council, Legal, Purchasing, Human Resources, Information Systems, Policy and Research, Fiscal Services and Internal Audit.
- (2) The following activity will be transferred to the appropriate state department (s):
Military Advisory Commission.

Funding adjustment necessary to ensure adequate funding, with attrition, of all 80 recommended positions, including the reduction of two (2) positions (\$74,440 State General Fund)

Non-recurring carry forward for Economic Development Awards (-\$291,717 State General Fund; -\$13,689,166 Statutory Dedications; TOTAL -\$13,981,166)

Non-recurring adjustment for the Re-Engineering of the Department of Economic Development (-\$200,000 State General Fund)

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Non-recurring adjustment for the Summit of Digital Infrastructure to make sure telecommunications infrastructure reaches rural communities (-\$50,000 State General Fund)

Non-recurring adjustment for the La. Center Against Poverty - for economic development assistance (-\$250,000 State General Fund)

Non-recurring adjustment for Economic Development Award Projects (-\$400,000 State General fund)

Non-recurring adjustment for the Monroe Downtown Riverfront Development District - for economic development assistance (-\$150,000 State General Fund)

Non-recurring adjustment for the Metro Regional Business Incubator - for economic development assistance (-\$400,000 State General Fund)

Continuation of reductions imposed by Executive Order MJF 99-52 in FY 00-01. Reductions are made from frozen vacancies (-\$26,926), supplies (-\$5,000); Small and Emerging Business Development; and to the UNO Phase III project (-\$125,000). (-\$181,926 State General Fund)

A supplementary recommendation of \$3,321,217 and eleven positions, of which \$1,321,217 is State General Fund, is included in the Total Recommended for this program. It represents full funding of the Division of Small and Emerging Business, and the Military Advisory Commission. These items are contingent upon Revenue Sources in excess of the Official Revenue Estimating Conference Forecast subject to Legislative approval and recognition by the Revenue Estimating Conference.

OBJECTIVE: The Louisiana Technology Transfer Office (LTTO) will process 225 technology requests for technology transfer between Louisiana private sector companies and federal government agencies.

PERFORMANCE INDICATORS:

Number of technology requests processed

Number of technologies licensed by LA companies from federal agencies

225	225	0
2	4	2

OBJECTIVE: To assist small/medium sized tech-oriented businesses in Louisiana with available federal funds for commercialization of federal technology.

PERFORMANCE INDICATOR:

Number of SBIR grants approved

18	18	0
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OBJECTIVE: Through the Executive Administration activity, to assist 36 small tech-based businesses in obtaining seed capital to market their new products.

PERFORMANCE INDICATORS:

Total number of start-up companies provided specific assistance

Number of start-up companies connected to seed/venture capital providers

Number of existing or newly identified technology businesses emerging from Louisiana institutions of higher learning that received assistance

36	36	0
12	12	0
3	2	(1)

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OBJECTIVE: To complete 100% of the Vision 20/20 action plan.

PERFORMANCE INDICATOR:
Percentage of action plan completed

100%	100%	0%
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OBJECTIVE: Through the Office of Policy and Research activity, to support the state's economic development marketing activities by responding to 3,000 requests for economic development information.

PERFORMANCE INDICATORS:
Number of requests answered annually
Number of businesses assisted
Average response time (in days)

1,500	3,000	1,500
300	600	300
2.2	2.2	0.0

OBJECTIVE: Through the Small and Emerging Business Development activity, to provide resources for management and technical assistance to certify 80 applicants.

PERFORMANCE INDICATORS:
Number of applicants certified
Number of certified small and emerging businesses provided specific assistance

100	80	(20)
115	115	0

OBJECTIVE: Through the Small and Emerging Business Development activity, to provide monitoring to 50 certified Small and Emerging Businesses.

PERFORMANCE INDICATORS:
Number of certified small and emerging businesses provided monitoring
Customer satisfaction rating

50	50	0
Not available	70%	Not applicable

OBJECTIVE: Through the Small and Emerging Business Development activity, to provide 5 bond guarantees.

PERFORMANCE INDICATORS:
Number of bond guarantees provided
Bond guarantees provided
Total amount of projects bonded

10	5	(5)
\$2,000,000	\$500,000	(\$1,500,000)
\$10,000,000	\$2,000,000	(\$8,000,000)

OBJECTIVE: Through the Workforce Development Training activity, to provide customized workforce training for 20 business projects.

PERFORMANCE INDICATORS:
Number of training contracts approved
Number of workers trained
New capital investment

40	20	(20)
4,500	6,500	2,000
\$400,000,000	\$400,000,000	\$0

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> **COMMUNICATIONS PROGRAM:** Coordinates, plans, and provides media opportunities to publicize La. businesses and generates inquiries from businesses. Also provides support for domestic and international marketing specialists.

General Fund	\$304,170	\$306,713	\$2,543
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$0	\$0	\$0
Statutory Dedications	\$1,053,248	\$1,000,000	(\$53,248)
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$1,357,418	\$1,306,713	(\$50,705)
T. O.	1	1	0

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Contingent on legislation being enacted in the 1st Extraordinary Session of 2000.

- (1) The following activities will cease to exist as of 12/31/2000 and the appropriate residual funds will accrue to and be transferred to Louisiana Inc.:
All activities of the Communications Program.

Non-recurring carry forward for Economic Development Awards for a replacement back-up tape for the computer server (-\$53,248 Statutory Dedications)

A supplementary recommendation of \$1,306,713 and one position, of which \$306,713 is State General Fund, is included in the Total Recommended for this program. It represents full funding of the Communications Program. These items are contingent upon Revenue Sources in excess of the Official Revenue Estimating Conference Forecast subject to Legislative approval and recognition by the Revenue Estimating Conference.

OBJECTIVE: To generate 750 qualified inquiries through the paid advertising program.

PERFORMANCE INDICATORS:

Number of qualified inquiries generated

750	750	0
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> **AUXILIARY ACCOUNT:** Provides funding for publication of the Directory of Louisiana Manufacturers, special marketing activities, as well as for a loan guarantee for \$2.0 M with respect to financing of the Alliance Compressor Plant in Natchitoches. The loan guarantee agreement is expected to be completed by Fiscal Year 2005-'06.

General Fund	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$2,106,832	\$2,106,832	\$0
Statutory Dedications	\$0	\$0	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$2,106,832	\$2,106,832	\$0
T. O.	0	0	0

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(1) The following activities will cease to exist as of 12/31/2000 and the appropriate residual funds will accrue to and be transferred to Louisiana Inc.:

All activities of the Auxiliary Program

TOTAL OFFICE OF THE SECRETARY

General Fund	\$22,428,230	\$20,894,212	(\$1,534,018)
Interagency Transfers	\$1,155,859	\$1,189,774	\$33,915
Fees and Self Gen.	\$2,110,211	\$2,110,211	\$0
Statutory Dedications	\$24,779,126	\$10,648,059	(\$14,131,067)
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$100,000	\$100,000	\$0
TOTAL	\$50,573,426	\$34,942,256	(\$15,631,170)
T. O.	83	81	(2)

252 - Office of Commerce and Industry

> **BUSINESS RECRUITMENT AND RETENTION PROGRAM:** Markets Louisiana to out-of-state and international businesses; assists potential and existing Louisiana exporters; maintains foreign trade offices; acts as staff for the State Board of Commerce and Industry; administers various tax exemption programs; and encourages and assists in the startup and expansion of business and industry. Also promotes economic development in the Red River basin and adjoining areas. The program also administers a grant to the UNO and Avondale Maritime Center of Excellence, administers funds for the La. Resource Center for Educators, and supports an ombudsman position.

General Fund	\$13,195,241	\$13,508,040	\$312,799
Interagency Transfers	\$50,000	\$50,000	\$0
Fees and Self Gen.	\$865,413	\$872,177	\$6,764
Statutory Dedications	\$0	\$0	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$140,000	\$0	(\$140,000)
TOTAL	\$14,250,654	\$14,430,217	\$179,563
T. O.	47	47	0

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Contingent on legislation being enacted in the 1st Extraordinary Session of 2000.

(1) The following activities will cease to exist as of 12/31/2000 and the appropriate residual funds will accrue to and be transferred to Louisiana Inc.:

All activities of the Business Recruitment and Retention Program excluding the Board of Commerce and Industry.

(2) The following activity will be transferred to the appropriate state department (s):

The Board of Commerce and Industry.

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Non-recurring carry forward for the Lincoln Parish Police Jury (-\$156,109 State General Fund)

Non-recurring carry forward for the Shreveport Airport Authority for an Intrastate Airline Study (-\$25,000 State General Fund)

Non-recurring adjustment for Indonesia Pollution Project (-\$90,000 Federal Funds)

Non-recurring adjustment for the Town of Rayville for economic development (-\$25,000 State General Fund)

Non-recurring adjustment for the Town of Delhi for economic development (-\$25,000 State General Fund)

Non-recurring adjustment for the Greater Monroe Community Center for Senior Citizens (-\$50,000 State General Fund)

Non-recurring adjustment for the Port of Orleans (-\$200,000 State General Fund)

Non-recurring adjustment for Department of Defense contract (-\$50,000 Federal Funds)

Adjustment for Year 4 of 7 Year, \$40 million commitment for Avondale Project, which is used for Debt Retirement of Bonds used to fund construction of a 200,000 square foot building to house a state-of-the-art Ship Design Facility (\$140,708 State General Fund)

Increased funding for the National Center for Advanced Manufacturing (NCAM) start-up expenses (\$300,000 State General Fund)

Increased funding for the La. Resource Center for Educators, which houses a facility with extensive resource materials for teacher utilization (\$343,000 State General Fund)

A supplementary recommendation of \$3,886,011 and eleven positions, all of which is State General Fund, is included in the Total Recommended for this program. It represents full funding of the International Trade/Marketing activity; and the following specific economic development items: Sugar Bowl Alliance, Independence Bowl, La. Resource Center for Educators, North La, Economic Development, and MetroVision. These items are contingent upon Revenue Sources in excess of the Official Revenue Estimating Conference Forecast subject to Legislative approval and recognition by the Revenue Estimating Conference.

OBJECTIVE: Through the National Marketing activity, to recruit 50 U.S. firms to locate or expand in Louisiana.

PERFORMANCE INDICATORS:

Number of positive location and expansion decisions

New investments

Cost per contact made

Percentage of visiting businesses locating in the state

49	50	1
\$800,000,000	\$800,000,000	\$0
\$943	\$943	\$0
30%	30%	0%

OBJECTIVE: Through the National Marketing activity, to provide 600 Louisiana businesses with the opportunity to expand their sales of goods and services within the state.

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PERFORMANCE INDICATORS:

Number of vendors attending Matchmaker events
Number of exhibitors at Matchmaker events

1,000	600	(400)
70	115	45

OBJECTIVE: Through the International Marketing activity, to recruit five foreign projects to Louisiana.

PERFORMANCE INDICATORS:

Number of positive location decisions
New investments (in millions)

5	5	0
\$850	\$550	(\$300)

OBJECTIVE: Through the International Trade Activity, to assist 150 Louisiana companies take advantage of international trade opportunities.

PERFORMANCE INDICATORS:

Number of Louisiana companies assisted
Number of trade opportunities developed

150	150	0
3,250	3,250	0

OBJECTIVE: Through the Business Incentive activity, to efficiently process 729 business incentives applications and related documents.

PERFORMANCE INDICATORS:

Number of applications filed
New permanent jobs reported by companies using tax incentive programs
Capital investment by companies using all tax incentive programs (in billions)
Number of audits/inspections
Percentage of companies found to be non-compliant

900	729	(171)
8,000	10,500	2,500
\$2.2	\$3.6	\$1.4
500	500	0
0.02%	0.02%	0.00%

> **MUSIC COMMISSION PROGRAM:** Promotes and develops Louisiana as a viable incubator of music talent and music industries; promotes Louisiana music and musicians.

General Fund	\$351,736	\$309,211	(\$42,525)
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$0	\$0	\$0
Statutory Dedications	\$0	\$0	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$351,736	\$309,211	(\$42,525)
T. O.	3	3	0

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Contingent on legislation being enacted in the 1st Extraordinary Session of 2000.

(1) The following activities will cease to exist as of 12/31/2000 and the appropriate residual funds will accrue to and be transferred to Louisiana Inc.:

All activities of the Music Commission Program.

Non-recurring carry forward for a contract with Calzone and Associates (-\$41,410 State General Fund)

A supplementary recommendation of \$309,211 and three positions, all of which is State General Fund, is included in the Total Recommended for this program. It represents full funding of the Music Commission. These items are contingent upon Revenue Sources in excess of the Official Revenue Estimating Conference Forecast subject to Legislative approval and recognition by the Revenue Estimating Conference

OBJECTIVE: To increase by 10% the use of Louisiana music and artists on Louisiana radio and television stations.

PERFORMANCE INDICATORS:

Percentage increase in airtime of Louisiana music/artists

Percentage of radio/TV stations featuring Louisiana music/artists

5%	10%	5%
11.5%	11.0%	-0.5%

TOTAL COMMERCE AND INDUSTRY

General Fund	\$13,546,977	\$13,817,251	\$270,274
Interagency Transfers	\$50,000	\$50,000	\$0
Fees and Self Gen.	\$865,413	\$872,177	\$6,764
Statutory Dedications	\$0	\$0	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$140,000	\$0	(\$140,000)
TOTAL	\$14,602,390	\$14,739,428	\$137,038
T. O.	50	50	0

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254 - Louisiana State Racing Commission

> **LOUISIANA RACING COMMISSION PROGRAM:** Promulgates and enforces rules and regulations and administers state laws regulating the horse racing industry, including the issuance of licenses, registration of horses, and administration of payment of breeder awards.

General Fund	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$5,615,222	\$5,699,675	\$84,453
Statutory Dedications	\$3,360,228	\$3,360,228	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$8,975,450	\$9,059,903	\$84,453
T. O.	78	78	0

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Contingent on legislation being enacted in the 1st Extraordinary Session of 2000.

- (1) The following activity will be transferred to the appropriate state department (s):**
All activities of the Louisiana Racing Commission.

Funding adjustment necessary to ensure adequate funding, with attrition, of 78 recommended positions (\$13,888 Fees and Self-generated Revenues)

Continuation of reductions imposed by Executive Order MJF 99-52 in FY 00-01. Reductions are made to Board Member Per Diem (-\$10,000), Travel (-\$15,000) and to Operating Expenses (-\$22,612). (-\$47,612 Fees and Self-generated Revenues)

Funding provided for Breeders Awards increasing total recommended to \$2,439,895 (\$77,081 Fees and Self-generated Revenues)

Funding to allow for testing of a new pre-race stimulant that is prohibited by a rule passed by the La. Racing Commission (LRC) on December 17, 1999; the stimulant is called a "Milkshake" (NAHCO, a combination of sodium bicarbonate in combination with sugar). These tests will cost approximately \$10 each for approximately 15 horses per live race day (\$51,300 Fees and Self-generated Revenues)

Funding for additional computer lines to be able to support the new LRC financial database system. This will allow LRC to capture data daily that will be submitted to management. This increase is for Delta Downs and Evangeline Downs; Louisiana Downs and the Fair Grounds are presently adequately equipped (\$41,878 Fees and Self-generated Revenues)

Funding to increase the LSU contract for Drug Testing, specifically to allow for the purchase of a Gas Chromatograph and Spectrometer used for testing (\$33,000 Fees and Self-generated Revenues)

OBJECTIVE: Through the Executive Administration activity, to oversee all horse racing and related wagering and to maintain administrative expenses at less than 25% of all self-generated revenue.

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PERFORMANCE INDICATORS:

Administrative expenses as a percentage of self-generated revenue

Annual amount wagered at race tracks and OTB's (in millions)

Cost per race

22.8%	22.8%	0.0%
\$363	\$363	\$0
\$1,517	\$1,618	\$101

OBJECTIVE: Through the Licensing and Regulation activity, to test at least 15 horses and 3 humans per live race day so that no more than 1.9% of horses, and no more than 4.1% of humans will test positive.

PERFORMANCE INDICATORS:

Percentage of horses testing positive

Percentage of humans testing positive

1.9%	1.9%	0.0%
4.1%	4.1%	0.0%

OBJECTIVE: Through the Breeder Awards activity, to continue to issue 100% of the breeder awards within 60 days of a race.

PERFORMANCE INDICATORS:

Percent of awards issued within 60 days of race

Annual amount of breeder awards paid

100%	100%	0%
\$2,309,419	\$2,439,895	\$130,476

255 - Office of Financial Institutions

> **OFFICE OF FINANCIAL INSTITUTIONS PROGRAM:** Licenses, charters, supervises, and examines state-chartered depository financial institutions and certain financial service providers, including retail sales finance businesses, mortgage lenders, and consumer and mortgage loan brokers. Also, licenses and oversees securities activities in Louisiana. The Louisiana Consumer Education Fund provides information to consumers and lenders concerning consumer credit laws.

General Fund	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$7,086,237	\$6,979,378	(\$106,859)
Statutory Dedications	\$4,500	\$4,500	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$7,090,737	\$6,983,878	(\$106,859)
T. O.	116	116	0

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

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(1) The following activity will be transferred to the appropriate state department (s):

All activities of the Office of Financial Institutions.

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Funding adjustment necessary to ensure adequate funding, with attrition, of 116 recommended positions (\$193,382 Fees and Self-generated Revenues)

Continuation of reductions imposed by Executive Order MJF 99-52 in FY 00-01. Reductions are made to Travel (-\$39,537), Supplies (-\$653), Professional Services (-\$168), and Acquisitions (-\$1,311). (-\$41,669 Fees and Self-generated Revenues)

OBJECTIVE: Through the Depository Institutions activity, to proactively supervise 100% of the state chartered depository institutions by conducting 100% of scheduled examinations, reporting the examination results within one month of receipt of the draft report, and acting on complaints within 10 days of receipt.

PERFORMANCE INDICATORS:

Percentage of examinations conducted as scheduled - banks/thrifts
 Percentage of examinations conducted as scheduled - credit unions
 Percentage of examination reports processed within one month - banks/thrifts
 Percentage of examination reports processed within one month - credit unions
 Percentage of complaints acted upon within 10 days - banks/thrifts
 Percentage of complaints acted upon within 10 days - credit unions

95%	95%	0%
100%	100%	0%
90%	90%	0%
90%	90%	0%
96.7%	96.6%	-0.1%
100%	100%	0%

OBJECTIVE: Through the Nondepository activity, to proactively supervise 100% of nondepository financial services providers by conducting 100% of scheduled examinations, investigating 100% of reports of unlicensed operations within 10 days, and acting upon written complaints within 30 days.

PERFORMANCE INDICATORS:

Percentage of scheduled examinations conducted
 Percentage of investigations conducted within 10 days of companies reported to be operating unlicensed
 Percentage of companies closed or license not required
 Total number of violations cited
 Total monies refunded or rebated to consumers from cited violations
 Percentage of written complaints acted upon within 30 days
 Total amount of refunds or rebates to consumers resulting from complaints

100%	100%	0%
100%	100%	0%
85%	69.3%	-15.7%
5,205	2,698	(2,507)
\$104,850	\$101,000	(\$3,850)
100%	100%	0%
\$27,000	\$23,200	(\$3,800)

OBJECTIVE: Through the Nondepository Activity's Consumer Credit Education Fund, to provide toll-free access to information regarding the regulation of Louisiana nondepository entities to 100% of Louisiana residents and nondepository financial services providers.

PERFORMANCE INDICATOR:

Number of phone calls received from consumers and lenders on toll-free line

4,194	2,000	(2,194)
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OBJECTIVE: Through the Securities activity, to continue to conduct compliance examinations and investigations, where warranted, of 100% of registered Broker Dealers and Investment Advisors located in the State of Louisiana as scheduled in cooperation with federal regulators.

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PERFORMANCE INDICATOR:

Percentage of compliance examinations conducted of Louisiana broker dealers and investment advisors

100%	100%	0%
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OBJECTIVE: Through the Securities activity, to process 100% of all applications for licenses and requests for authorization of offerings within 30 days of receipt.

PERFORMANCE INDICATOR:

Number of applications for licenses received for investment advisors, broker dealers, and agents

63,934	80,000	16,066
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258 - Louisiana Economic Development Corporation

> **FINANCIAL ASSISTANCE PROGRAM:** Administers department's financial assistance and capital programs for La. businesses by making loans, providing matching funds, issuing loan guarantees, providing for low-interest loans and providing for other financial mechanisms.

General Fund	\$0	\$500,000	\$500,000
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$200,000	\$0	(\$200,000)
Statutory Dedications	\$12,202,816	\$12,216,769	\$13,953
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$12,402,816	\$12,716,769	\$313,953
T. O.	9	9	0

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Contingent on legislation being enacted in the 1st Extraordinary Session of 2000.

(1) The following activities will cease to exist as of 12/31/2000 and the appropriate residual funds will accrue to and be transferred to Louisiana Inc.:

All activities of the Louisiana Economic Development Corporation.

Non-recurring adjustment for a study of the La. Capital Companies Tax Credit Program per Act 780 of 1998. Funds were derived from a pro-rata assessment of each CAPCO based on their total certified capital as of 12/3/98. (-\$200,000 Fees and Self-generated)

Funding enhancement to the Louisiana Economic Development Corporation (LEDC) to provide financial assistance and capital programs for Louisiana Businesses. (\$500,000 State General Fund)

OBJECTIVE: To allocate budgeted funds across LEDC's financial assistance programs to achieve the best portfolio management and maximize earnings.

PERFORMANCE INDICATORS:

Percentage of new approved long term investments and loan participation's that are seven (7) years or greater

Percentage of new approved medium term investments and loan guarantees that are three (3) plus years to seven (7) years

Percentage of new approved short-term investments and loan guarantees that are three (3) years or less

10%	10%	0%
60%	60%	0%
30%	30%	0%

05
ECONOMIC DEVELOPMENT
COMPARISON OF BUDGETED FISCAL YEAR 1999-2000
TO TOTAL RECOMMENDED FISCAL YEAR 2000-2001
(INCLUSIVE OF DOUBLE COUNTED EXPENDITURES)

Means of Financing & Table of Organization	As of 12/3/99 Existing Operating Budget 1999-2000	Total Recommended 2000-2001	Total Recommended Over/(Under) E.O.B.
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OBJECTIVE: To maximize leverage such that 11% of all new approvals of loan guarantees are below the maximum guarantee percentage allowed by the rules.

PERFORMANCE INDICATOR:

Percentage of new approvals of loan guarantees that are below the maximum guarantee percentage

10%	11%	1%
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OBJECTIVE: To maximize income on bank certificates of deposits by targeting the minimum rate of at least the federal reserve lending rate plus 1/4%.

PERFORMANCE INDICATOR:

Percentage of certificates of deposit purchased that meet the minimum rate

100%	100%	0%
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OBJECTIVE: To market Louisiana Economic Development Corporation's financial assistance programs by presenting seminars to 25% of the total number of Louisiana banks annually.

PERFORMANCE INDICATOR:

Percentage of total Louisiana banks where seminars are held by Louisiana Economic Development Corporation

25%	25%	0%
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OBJECTIVE: To achieve a balanced risk level so that the annual loan charge-off percentage level is less than 10%.

PERFORMANCE INDICATOR:

Percentage of annual loan charge-off

8.8%	8.8%	0.0%
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259 - Louisiana State Board of Cosmetology

- > **STATE BOARD OF COSMETOLOGY PROGRAM:** Promulgates and enforces rules and regulations and administers state laws regulating the cosmetology industry; including issuance of licenses for cosmetologists and registration of salons and cosmetology schools.

General Fund	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$1,552,197	\$1,464,563	(\$87,634)
Statutory Dedications	\$0	\$0	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$1,552,197	\$1,464,563	(\$87,634)
T. O.	29	29	0

05
ECONOMIC DEVELOPMENT
COMPARISON OF BUDGETED FISCAL YEAR 1999-2000
TO TOTAL RECOMMENDED FISCAL YEAR 2000-2001
(INCLUSIVE OF DOUBLE COUNTED EXPENDITURES)

Means of	As of 12/3/99		Total
Financing	Existing		Recommended
&	Operating	Total	Over/(Under)
Table of	Budget	Recommended	E.O.B.
Organization	1999-2000	2000-2001	

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Contingent on legislation being enacted in the 1st Extraordinary Session of 2000.

(1) The following activity will be transferred to the appropriate state department (s):

All activities of the Cosmetology Program.

Funding adjustment necessary to ensure adequate funding, with attrition, of 29 recommended positions (\$14,478 Fees and Self-generated Revenues)

Non-recurring adjustment for a computer contract for the Cosmetology Licensing Computer System (-\$14,000 Fees and Self-generated Revenues)

Non-recurring Acquisitions and Major Repairs (-\$80,212 Fees and Self-generated Revenues)

OBJECTIVE: Through the Administrative activity, to improve the pass/fail ratio by 21% through the establishment of consistent testing procedures.

PERFORMANCE INDICATORS:

Percentage of students passing exams and receiving initial license

Percentage increase in the number of students passing exams and receiving initial license

Cost per exam

Percentage of licenses issued to exams administered

Cosmetology

Manicuring

Esthetician

Teacher

64%	85%	21%
21%	21%	0%
\$23.95	\$23.00	(\$0.95)

86%	86%	0%
61%	79%	18%
72%	83%	11%
50%	80%	30%

OBJECTIVE: Through the Testing and Licensing activity, to maintain the turnaround time for licenses issued at four weeks.

PERFORMANCE INDICATORS:

Renewal time frame (in weeks)

Total number of licenses issued

4	4	0
38,745	38,745	0

OBJECTIVE: Through the Investigation and Enforcement activity, to complete 39% of the installation and implementation of the new computer system for the purpose of tracking pertinent information, such as the number of violations issued, in order to decrease over time the number of violations issued, as result of the distribution of information.

PERFORMANCE INDICATORS:

Percentage of installation and implementation of computer system completed

Percentage decrease in the number of violations issued

Number of violations issued

45%	39%	-6%
20%	20%	0%
950	950	0